

**01177**

**1989/06/29**

J66036

TOP SECRET/EXDIS [ ] b1, a4

SECRETARY'S MORNING SUMMARY FOR JUNE 24, 1989

1. PRC: LITTLE APPARENT PROMISE IN SOVIET CARD

OFFICIAL SPOKESMAN YUAN MU TOLD LATIN AMERICAN AMBASSADORS  
ON JUNE 20 THAT US SANCTIONS WOULD NOT GO MUCH FURTHER  
BECAUSE DAMAGING RELATIONS WITH CHINA WOULD HURT THE  
UNITED STATES STRATEGICALLY [ ] b1, a4

[ ] MEANWHILE, THE SOVIETS SEEM COOL TO THE  
IDEA OF EXTENSIVE ECONOMIC AID TO THE PRC. [ ] b1, a4, a5

VICE PREMIER TIAN JIYUN IS SCHEDULED TO ATTEND SINO-SOVIET  
ECONOMIC COOPERATION TALKS NEXT MONTH IN MOSCOW,  
PRESUMABLY TO REQUEST SOVIET CAPITAL AND TECHNOLOGY  
ASSISTANCE.

[TOP SECRET] [ ] NOCONTRACT/NOFORN//ORCON]

DEPARTMENT OF STATE

IS, FPC, CLN

MDZ Date 8/30/93

RELEASE  DECLASSIFY  
 EXCISE  DECLASSIFY  
 DENY IN PART  
 DELETE Non-Responsive Info  
FOIA Exemptions b1  
PA Exemptions \_\_\_\_\_

MR Cases Only:  
EO Citations \_\_\_\_\_

TS authority to:  
 CLASSIFY to  S or  C OADR  
 DOWNGRADE TS to  S or  C OADR

**SECRET**

# EXCISE

June 29, 1959

(1)  $A^{(x, a)}$

DEPARTMENT OF STATE		IS-FPCICOR MDZ Date 8/30/93
<input type="checkbox"/> RELEASE <input checked="" type="checkbox"/> EXCISE <input type="checkbox"/> DENY		<input type="checkbox"/> DECLASSIFY <input checked="" type="checkbox"/> NO DECLASSIFY <input type="checkbox"/> IN PART
<input type="checkbox"/> DELETE <input type="checkbox"/> FOIA Exemptions <input type="checkbox"/> PA Exemptions		Non-Responsive Info <u>EZ</u> TS authority <input type="checkbox"/> CLASSIFY <input type="checkbox"/> OWNER/GRANTEE <input type="checkbox"/> S or (' ) C <input type="checkbox"/> S or (' ) C V AND
		EO Classification <u>PA</u>

2. PRC:

B1 A4 A5

**SECRET**

**SECRET**

B1A4AS

[**SECRET/NOFORN/NOCONTRACT/ORCON**]

3. CHINA: THE WORLD ACCORDING TO DENG

THE RECENT PUBLICATION OF DENG XIAOPING'S JUNE 9 SPEECH ENDORSING THE CRACKDOWN ON PRO-DEMOCRACY PROTESTERS, AND LEAKS TO HONG KONG NEWSPAPERS ABOUT DENG'S REMARKS TO OTHER TOP LEADERS, SUGGEST HE IS TRYING HARD TO LIMIT DAMAGE TO HIS ECONOMIC REFORM PROGRAM, FORGE A NEW LEADERSHIP CONSENSUS, AND GET THE COUNTRY BACK TO BUSINESS.

B1A5

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DAMAGE LIMITATION

DENG PROBABLY DID NOT EXPECT THE STRONG POPULAR RESISTANCE TO THE ARMY ON JUNE 3-4, OR THE LEVEL OF BLOODSHED. BUT

B1A5

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B1A5

ON JUNE 9 HE  
DELIVERED A SPEECH THAT ENDORSED MARTIAL LAW AND THE USE  
OF FORCE BUT STRONGLY UNDERSCORED HIS COMMITMENT TO  
CONTINUED ECONOMIC REFORM AND OPENING TO THE OUTSIDE. HE

B1A5

GUIDING THE NEW LEADERSHIP, BUT ANXIOUS TO RETIRE  
A WELL INFORMED HONG KONG NEWSPAPER ON JUNE 28 CARRIED  
REPORTS OF TWO MEETINGS BETWEEN DENG AND THE MEMBERS OF  
THE RECONSTITUTED POLITBURO STANDING COMMITTEE. DENG IS  
SAID TO HAVE ENJOINED THEM TO ACCEPT THE NEW GENERAL  
SECRETARY, JIANG ZEMIN, AS BOSS; TO ESCHEW FORMING "SMALL  
FACTIONS" OR GETTING BOGGED DOWN IN AFFIXING BLAME FOR  
PAST MISTAKES; TO CONCENTRATE ON ECONOMIC DEVELOPMENT AND  
MAKE SUBSTANTIAL ACHIEVEMENTS TO REGAIN THE PEOPLE'S  
TRUST; AND TO AVOID COMING TO DENG FOR ADVICE AND  
DECISIONS UNLESS ABSOLUTELY NECESSARY.  
DENG REPORTEDLY SAID HE WILL RETIRE AFTER THE NEW LEADER-  
SHIP ESTABLISHES ITS AUTHORITY. HE WARNED THAT US AND  
EUROPEAN INVESTMENT IS BASED IN PART ON HIS OWN HEALTH AND

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THAT IT IS DANGEROUS TO BUILD A COUNTRY DEPENDENT ON ONE  
OR TWO PEOPLE.

(B) A<sup>S</sup>

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